



NHRIPP NURSING HOMES AND RELATED
INDUSTRIES PENSION PLAN
RRFAEC RÉGIME DE RETRAITE DES FOYERS
D'ACCUEIL ET ÉTABLISSEMENTS CONNEXES

Notice of Changes to the Nursing Homes and Related Industries Pension Plan (the “NHRIPP” or the “Plan”)

FSRA Registration Number: 0996983

January 29, 2024

This notice is to advise you of upcoming changes to the Plan rules.

Background

Every year millions of dollars in pension benefits go unclaimed because members don't tell their pension plan when their home address or contact information changes. Without this information, pension plans can't contact members and former members to remind them how and when their benefits can be claimed. This frequently results in pension benefits, including death benefits, never being claimed.

The NHRIPP spends considerable sums every year searching for missing members. Despite these efforts, the success rate is low. Due to privacy concerns, governments won't share address changes with pension plans or even confirm that a missing member is still alive. Making matters worse is that many missing members can immediately receive their benefits as a cash lump sum but don't do so.

For plans like the NHRIPP, in which contributions are fixed by collective agreement, every dollar spent searching for missing members leaves one dollar less to pay pensions.

The Trustees agree with Ontario's pension regulator that it is the responsibility of Plan members to immediately inform the Plan when their mailing address, email address, name, beneficiary or marital status changes. You can do so using the My InSite portal on the Plan's website (www.nhripp.ca) or by contacting our call centre at 905-889-6200 or 1-800-287-4816.

Adding to this problem is that many collective agreements requiring employers to contribute to the NHRIPP are settled retroactively. When new collective agreements include a retroactive wage increase, employers must make pension contributions on the retroactive additional wages members receive from that increase.

Retroactive contributions increase members' pensions. However, they become a problem when employers make retroactive contributions for former members who have transferred their benefits out of the Plan.

When that happens, the Plan now sends a cheque to the former member equal to the present-day value of the pension that could otherwise be produced by the retroactive contributions. As these amounts are modest, the cost of processing the cheque often exceeds its amount. The Plan's costs increase significantly if it has to search for the former member because their contact information on file is no longer valid.

Plan Changes

On January 1, 2024, the NHRIPP will begin charging missing members the amount the Plan spent trying to find them. If these costs exceed the value of the missing member's benefits, their benefit entitlement will be cancelled.

The Plan rules will also be changed on that date to say that retroactive contributions of less than \$150 received at any time for former members who have transferred their benefits out of the Plan will not be credited to them. Instead, they will fund the Plan generally. Retroactive contributions will continue to be credited to members and pensioners who have accrued benefits in the Plan.

Comments on the Amendment

If you have any comments about this change, you may provide them to the NHRIPP's Board of Trustees, or the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario using the contact information below.

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| NHRIPP Board of Trustees 105 Commerce Drive West, Suite 310 Markham, ON L3T 7W3 Phone: 905-889-6200 or 1-800-287-4816 E-mail: information@nhripp.ca Website: www.nhripp.ca | Chief Executive Officer Financial Services Regulatory Authority of Ontario 25 Sheppard Avenue West, Suite 100 Toronto, ON M2N 6S6 Phone: 416-250-7250 E-mail: contactcentre@fsrao.ca |
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Registration Process

The amendment has been filed with the FSRA for registration. It may be registered 45 days after the date this notice was distributed.

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